

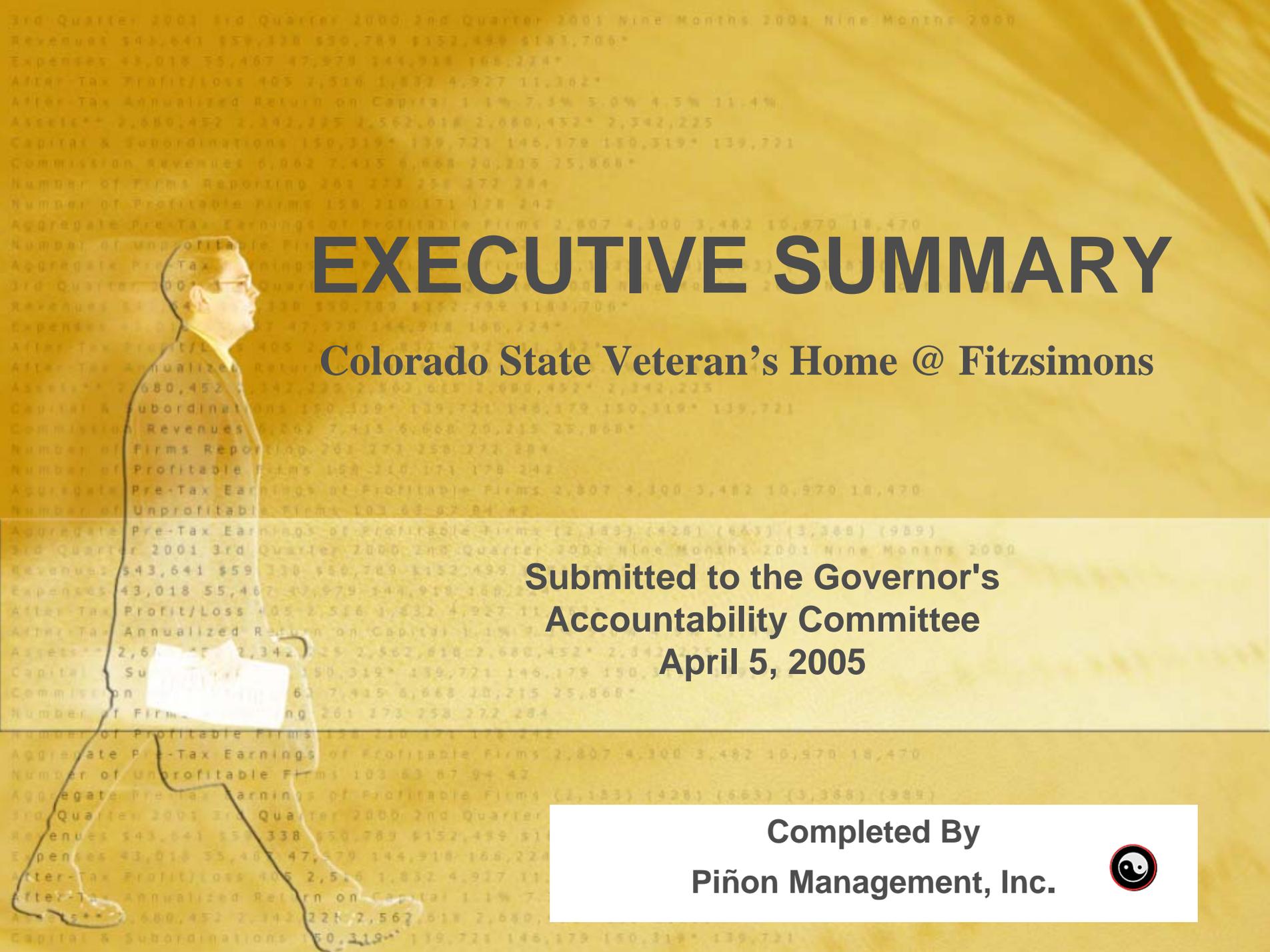
EXECUTIVE SUMMARY

Colorado State Veteran's Home @ Fitzsimons

Submitted to the Governor's
Accountability Committee

April 5, 2005

Completed By
Piñon Management, Inc.



Executive Summary

Introduction

- Piñon Management, Inc. has served in the role of Temporary Manager for the Colorado State Veteran's Home @ Fitzsimons since December 20, 2003. Initially this role focused on assisting the Department of Human Services and facility personnel with managing regulatory crisis both with the federal regulations governed by the Center for Medicare & Medicaid Services and with the United States Department of Veteran Affairs. The level of deficient practice included two Level "L" violations related to infection control practice and quality of care concerns. As a result of regulatory problems; the facility suffered a negative public image in the media and in the community. The public image, regulatory problems and lack of appropriate management of the facility contributed to problems with admissions/census, financial issues, hiring/retention of employees, resident quality of life and resident quality of care outcomes. There was widespread systems breakdown throughout the operations and management of the facility.
- The Department of Human Services, Piñon Management, Inc. and facility personnel worked aggressively to resolve regulatory, financial, staffing and management problems through 2004. As a result, the facility was placed in sustained compliance by CMS in March/2004 and removed "needs not met" under the United States Department of Veteran Affairs survey results in November/2004.
- The Department of Human Services elected to continue utilizing Piñon Management's expertise through 2004 and again extended this contract arrangement until July 1, 2005 at which time Pinon Management will transition management of the facility back to the Department of Human Services.

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Introduction – (contd.)

- Since December/2004, Piñon Management personnel have assumed various leadership roles in the facility including Administrator, Director of Nursing, Rehabilitation Nurse, Staff Development Coordinator, Admissions Director, Business Office Manager and Project Manager. In these leadership roles, day-to-day operations were carried out while introducing systems, programs, policy and procedures, protocols, education and financial management.
- As of March/2005, fifty-five open positions in nursing have been filled and all key management positions have been filled with the exception of an Accountant I position. A Gap Realization Analysis has been completed for a transition plan of returning management to the Department of Human Services from Piñon Management, Inc. as directed by the Governor's Accountability Committee. In addition, Piñon Management has provided key indicator tools to the Department of Human Services and facility administration that will provide early warning signs of system failures. These tools include “Operations Consolidated Report”, Strategic Plan” and Pre-Survey documents.
- The Gap Analysis identified the following major plan realization processes that require attention in the transition of facility management by Piñon Management, Inc. back to the Department of Human Services on July 1, 2005:
 - Leadership
 - Management
 - Financial
 - Clinical
 - Admissions/Marketing/Public Relations

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Exit Strategy :

Given the Gap Analysis results expressed as an attachment to this Executive Summary; Piñon Management, Inc. recommends the following:

Leadership:

- The Department of Human Services should employ a leadership resource team (at the Department level) experienced and knowledgeable in nursing home operations that can provide quality improvement, clinical nursing, financial, psychosocial, marketing and field analyst support to Fitzsimons (and on a wider scope, all state nursing facilities).
- This leadership team could eliminate the gaps currently noted in quality improvement oversight, supervision, auditing, monitoring and educational support. The complexity of operating nursing facilities in a highly regulated environment and the complexity in financially managing under Medicare, Medicaid and Veteran Administration reimbursement demands expertise beyond a nursing facilities management personnel.
- As of 3/31/05, the Department has hired an experienced and knowledgeable Division Director to oversee facility operations. In addition, the Department has hired a Quality Improvement Nurse (with a Masters in Nursing) to oversee clinical nursing in the state facilities. At this time, it is unknown whether this individual has long term care nursing home experience.
- Currently, the Department does not have sufficient funding to hire the level of a leadership team required to meet the demands of recommendations. The Division Director and Quality Improvement Nurse will not be sufficient to meet the demands or expectations of quality improvement oversight for all the state homes. The Department has indicated they have plans to hire contract psychosocial support. Funding support will be necessary for the Department to carry out the recommendations of this report and their desire to hire or contract the expertise needed for long-term sustainability.

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Exit Strategy – (contd.) :

Leadership (contd.)

- A gap also exists between the transition of Piñon Management's Project Manager and the Division Director. Time will need to be allocated to ensure the new Division Director is oriented to the unique programs and systems established by Piñon Management prior to July 1, 2005
- The Department has indicated they intend to contract an individual for the recommendation of Pre-Surveys for both state/federal and V.A. survey preparation. One individual is not sufficient for this important process. An interdisciplinary team is recommended to ensure adequate expertise evaluates all aspects of the nursing facility operations. There is also a concern that the Department will utilize a peer review process versus an independent review through the utilization of other state facility personnel. This is a flawed process and one that is not effective.

Administration:

- Gary Kotz has been hired as the permanent administrator for the facility. He was hired January 24, 2005. Mr. Kotz has two years experience as a licensed nursing home administrator and has effectively "stepped-in" to this significant responsibility quickly. He has established himself as a leader and exhibits the qualities necessary to manage the facility.
- The gap in transition will be related to the short-time he has assumed management of the facility and the exit of Piñon Management on July 1, 2005. Education and orientation has been provided by Piñon Management's Interim Administrator. Transition is in progress. The majority of day-to-day operations transition has occurred. However significant work still exists in the transition of department operations (i.e., programs, systems, policies and procedures, etc.)

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Exit Strategy – (contd.) :

Financial:

- Significant work has been accomplished in financial management of the facility; including financial operations management and oversight, monthly financial statement close process, annual operating and capital budget development, accounts payable, payroll timekeeping monitoring, VA monthly per diem, cash reconciliations, etc. There are numerous transitions from Piñon Management to facility personnel in the business office that have been fully implemented and operating successfully. Piñon will continue through our transition with the on going training of the newly hired Business Office Manager and the hiring and training of an Accounts Receivable Billing/Collections Specialist.
- Large gaps remain in Department level oversight of financial operations and management, accounts receivable/collection, and Medicare and Medicaid cost report reimbursement analysis and reporting. Piñon Management strongly recommends that Department level oversight is necessary to maintain these functions.
- The majority of gaps are currently being managed by Piñon Management's Field Analyst, and Reimbursement Specialist. Fitzsimons is in the process of hiring a facility level Accounts Receivable/Collections Specialist, which Piñon Management will train through the end of the contract. The Department currently has an Accounting Manager for the oversight of the financial accounting management, budgeting and reporting for Fitzsimons. Since Piñon will exit July 1, 2005, there will be little time left to train and transition the gaps being covered by Piñon.
- As stated earlier in this summary, Piñon Management highly recommends the hire of a Field Analyst at the Department level, in addition to the Accounting Manager, to provide the facility staff with training, oversight, monitoring and support of the billing and collection process. In addition, we recommend that DHS utilize a Reimbursement Specialist for Medicare and Medicaid cost reporting preparation and review.

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Exit Strategy – (contd.) :

Clinical:

- Key positions in the nursing management department have been filled with quality, experienced personnel. The systems, programs, protocols, committees, policies and procedures implemented by Piñon Management have been in a transition period for several months. Given the enormity of the nursing department and clinical programs, this has been a significant accomplishment by the nursing team.
- Transition continues and will be in progress during the exit of Piñon Management on July 1, 2005. However, the education, mentoring and support have been provided sufficient for transition. Given the complexity and amount of information to transition, the facility will need to continue to grow and mature in the ongoing management of this work. There are a few programs that have not been transitioned, but will be transitioned by the time of Pinon's exit.
- The most significant gap will be quality improvement oversight, auditing, monitoring, resource & education at the Department level. Although the Department has recently hired a QI Nurse, there will be a major time line in this individual's ability to understand the historical perspective of the nursing department, plans of correction for numerous surveys, clinical programs and systems, policies, procedures, etc. In addition, Piñon Management highly recommends that nursing policy and procedures are developed and standardized at the Department level versus at the Director of Nursing level. This will ensure standards of practice, regulatory review, etc. that would be difficult for a Director of Nursing to accomplish/manage while running the day-to-day operations of a nursing department.

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Exit Strategy – (contd.):

Clinical – contd.:

- Concerns remain in the organization of the nursing department and the ability of effective management to continue for the long-term. The Administrator and Director of Nursing will need to re-organize the nursing department to decentralize responsibility and accountability to RN Supervisors and Charge Nurses versus “hands-on” management of daily operations by the DON and ADON. The Director of Nursing will need to assign this responsibility and accountability under specific tasks and duties and mentor and coach individuals until they are competent in assuming these assigned tasks. A list of these specific tasks have been provided to the Administrator and Director of Nursing for completion. Full transition from Piñon Management clinical staff to facility personnel cannot occur until this has been accomplished. The Director of Nursing will need to move into a leadership role versus a management role to provide improved vision, direction and control of the nursing department.
- The facility administration has a strong approach to census development and higher acuity residents. Although this financially benefits the facility operations; close supervision and monitoring will need to occur at the Department level as well as the facility nursing management level to ensure sufficient education and competency of staff to care for this high acuity as well as the recognition of increased risk management issues.

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Exit Strategy – (contd.):

Clinical – contd.:

- Social Services has two strong, experienced social service support staff that have been well-trained on Piñon systems, programs and philosophy of resident-centered care. They have shown good progress in implementation and maintenance of these important operations. The Director of the department is a new hire with no long-term care experience. She will need significant support and education from the Department level or an outside consultant.
- The activity department director is experienced and has been sufficiently trained on Piñon Management programs, systems, documentation requirements, etc. She has been in her position approx. 7 months and does not always demonstrate consistent practices in the expectations of her role. She requires improvement in innovation, self-discipline and creativity in the development of the activity department. An outside consultant should be utilized to monitor, audit and support this individual and the activity department.
- The dietary department is served by two strong Dieticians with excellent clinical assessment and documentation skills. This department is also well-managed by an experienced dietary manager and assistant manager. A gap remains in the potential problems that may arise from the reporting of the dietary manager to the administrator versus the on-site dietician. There are no major concerns within this department at this time. It would be helpful to utilize outside dietary consultant services for a general overview/audit of the department at least quarterly to ensure systems/programs remain stabilized.

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Exit Strategy:

Admissions/Marketing/Public Relations:

- The significant gap has been the extensive time in recruitment/hire of a qualified admissions director. As of this report, the facility has hired an admission director. Time lines will make it difficult to transition information effectively from Piñon Management's Admission Director to this individual. Although the new hire has experience in an admission role in nursing homes; she is limited in only 10 months of past experience. She also has no experience in veteran's administration benefits, etc.
- The majority of transition has occurred with the administrator and admission team by Piñon Management's interim administrator. The functions of admissions, marketing and public relations have been transitioned from a "big picture" perspective to the NHA; however, the marketing/public relationships developed by the current interim admissions director and the day-to-day operations in this department will need to be an ongoing focus of the new admission director.
- Piñon Management recommends a Department level marketing/public relations director to address the census problems at all state nursing homes.

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Exit Strategy:

Final Gap Analysis Comments:

- Enormous effort, time, work and dedication have occurred at many levels and on the part of many individuals and although we have identified some serious gaps in the transition of Pinon Management operations back to the Department of Human Services management of the Colorado State Veteran's Home at Fitzsimons; we should not underscore the many major accomplishments occurring in all aspects of facility operations nor the fact that the problems identified have the ability to be corrected, controlled and/or managed effectively.
- The new leadership within the facility is an excellent, quality team and they have the ability to accomplish a high level of quality of life, quality of care and safety for the resident's they serve. The hesitancy in making this statement is the remaining concern of the current personnel system. This relates specifically to the significant gap created in the event one of these quality leaders resigns their position. Time frames in replacing any one of these positions is too lengthy and too costly to the facility in the risks associated with the absence of leadership in any department. The negative outcomes from this recruitment/hiring system happen quickly and are often difficult to correct in a timely manner. The changes needed within the state personnel system have been discussed at length during the ongoing weekly meetings between the Department of Human Service and Piñon Management as well as at the level of the Governor's Accountability Committee and cannot be addressed adequately within this report.

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Exit Strategy:

Final Gap Analysis Comments (contd.):

- A final recommendation would be to encourage the Department of Human Services to utilize an outside evaluation process that would provide a thorough review of each department's operations on at least a quarterly basis for at least a one year time frame. This should occur after the Department has fully operationalized recommendations of this report. This will allow the evaluation process to provide a true picture of the effectiveness of the transition plan and the ongoing ability of the Department and facility level management to sustain the systems and processes that have been implemented.

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Final Executive Summary Statement:

- *We would like to express our sincere appreciation for the collaboration and support that we have received from the Department of Human Services, United States Department of Veteran Affairs, United States Department of Veteran Affairs, Veterans Services Organizations, Governor's Task Force, Governor's Accountability Committee, state representatives and family/community members. The numerous hours of work, effort and time that were committed to the veterans and residents of this facility by both Piñon Management personnel and facility personnel could not have improved the services, quality of care or quality of life of residents without this support and collaboration. This has been an invaluable experience and opportunity for our organization. We are honored to have been a part of the growth, improvements and significant changes that have occurred at the Colorado State Veteran's Facility @ Fitzsimons. We believe this is a facility that veterans and stakeholders can be proud of and one that can provide the care our veterans deserve.*

*Jeff Jerebker, CEO/President
Piñon Management, Inc.*